

WISCONSIN DEPARTMENT OF HEALTH SERVICES
Division of Health Care Access and Accountability
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To: FoodShare Wisconsin Employment and Training (FSET)
Handbook Users

From: Shawn Smith, Bureau Director
Bureau of Enrollment Policy and Systems

Re: **FSET Handbook Release 13-02**

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EFFECTIVE DATE

The following policy additions or changes are effective 05/23/2013, unless otherwise noted. **Yellow Highlighted text denotes new text. Text with a strike through it in the old policy section denotes deleted text.**

POLICY CLARIFICATIONS

2.1 General Funding Rules

County and tribal governments may choose to utilize funding to administer the FSET program in-house or may elect to subcontract with an employment and training agency to provide some or all FSET services.

FSET funding is categorized by purpose and function.

1. 100% Federal funding, otherwise known as Supplemental funding, is designated for administrative costs associated with service provision.
2. 50/50 **Match or Base** funding is designated for administrative costs that go above and beyond what is funded with 100% Federal funding, ~~and for participant support costs~~ **participation reimbursement and job retention**. Contingent on the availability of funds, federal dollars are used to reimburse 50% of the total costs incurred by an agency. 50/50 Match may include funding from the following sources if certain criteria are met:
 - a) GPR (State **funding funds**) ~~/ matched with~~ federal funds
 - b) Local agency funding matched with federal funds. Local funds typically consist of city or county tax levy or charitable donations. **This type of funding is also referred to as third party funding.**
 - c) The value of In-kind goods or services provided to or by a governmental agency ~~/ matched with~~ federal funds. Only public agencies may claim in-kind expenses.

Regardless of funding source all allowable costs funded ~~with~~ **by** FSET ~~dollars~~ must be federally approved **as part of the FSET State Plan and deemed** as reasonable and necessary.

Reasonable Costs:

- A cost is reasonable if its nature and amount does not exceed that which a prudent person would pay under similar circumstances.
- Provides a program benefit generally commensurate with the cost incurred,
- Are in proportion to other program costs for the function that the costs serve, and
- Are within the scope of FSET.

Necessary Costs:

- Are incurred to carry out essential functions of FSET,
- Cannot be avoided without adversely affecting program operations,
- Are a priority expenditure relative to other demands on availability of administrative resources, and
- Do not duplicate existing efforts. FSET funding must not be used to cover costs of goods or services that are available for free. ~~elsewhere.~~

2.2 Federal 100 Percent Allocation

Supplemental or 100% Federal funding is designated for administrative costs of the FSET program. This is an annual allocation from the **federal** Food and Nutrition Service; 90% is based on the number of work registrants reported by the State each FFY, and 10% is based on the number of reported ABAWDS.

2.3 50/50 Match Funding

The title of this chapter has changed.

2.3.1 Introduction

50/50 **Match funding** refers to a reimbursement rate of 50% of total expenses incurred by the agency. For every dollar the FSET agency incurs as an allowable expense, fifty cents will be reimbursed with federal funding. **Match 50/50** funding is categorized according to funding source.

1. Base or 50/50 or GPR/Federal **Match funding** is an annual allocation of State General Purpose Revenue (GPR) ~~matched with~~ **and** Federal FSET funds.
2. 50/50 Local/Federal **Match or third party funding** consists of local funding (typically tax levy) ~~matched with~~ **and** federal dollars, used to fund new or enhanced services or to expand the FSET program. **Local/Federal match must meet** Certain criteria **must be met** prior to receiving State and Federal approval **to use this type of funding.**
3. In-kind 50/50 **Match** is an allowable source of funding source for public agencies if specific criteria are met.

Note: FSET cannot fund services that are available to the public at no cost. If there is a cost, FSET participants cannot be charged more than what is charged to the public for the same service.

2.3.2 Third Party (Local 50/Federal 50) **Match Funding** Criteria

The title of this section has changed.

Third Party **Match** is a source of **local** funding that allows agencies the opportunity to provide new or enhanced services **and** to expand service delivery. Agencies who have access to this type of **match funding** must comply with specific requirements prior to receiving approval for its use.

1. Dollars put forth as Third Party **Match** must not supplant existing funding. ~~This means that funding used as match cannot replace existing funding~~ **dollars cannot be used to replace funding used for existing services.** It cannot be used as a means to double the amount of existing funds an agency has available for service provision.
2. Services must clearly go above and beyond what is currently offered or available to the public at no cost.
3. ~~Match is not allowed~~ **Funding cannot be used** to cover budget shortfalls, or to expand services that are underutilized.
4. ~~Match is not allowed to facilitate program growth unless services go above and beyond existing services and are~~ **Services provided must be approved by the State and by FNS as part of the state FSET plan.**
5. To claim any expenditures under FSET, participants must be eligible and receiving FS benefits, **and enrolled in the FSET program;**
6. ~~Funds~~ **The source** cannot be federal, with the exception of Community Block Grants and some types of federal tribal funding;
7. Funds must be "cash", i.e. actual costs, they cannot be "in-kind" ~~match~~ unless the conditions under 2.3.3 are met;
8. Funds cannot be state or local funds which are already designated as match

- for another program;
9. All cash contributions must:
- Be verifiable;
 - Not contributed for another federally assisted program;
 - Necessary and reasonable for accomplishment of FSET project objectives;
 - Not paid by the federal government under another assistance agreement;
 - ~~Are included in the federally approved FSET State Plan~~